

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION**

#### **JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION**

**Call to Order:** By **CHAIRMAN LILA TAYLOR**, on February 10, 1999 at  
8:00 A.M., in Room 402 Capitol.

#### **ROLL CALL**

##### **Members Present:**

Rep. Lila Taylor, Chairman (R)  
Sen. Mike Taylor, Vice Chairman (R)  
Sen. Eve Franklin (D)  
Sen. Ken Mesaros (R)  
Rep. Ray Peck (D)  
Rep. Joe Quilici (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Lynn Daily, Committee Secretary  
Mary Beth Linder, OBPP  
Jim Turner, Legislative Branch

**Please Note:** These are summary minutes. Testimony and  
discussion are paraphrased and condensed.

**Committee Business Summary:** Budget Testimony for the Department  
of Administration

**Lois Menzies, Chair of the Public Safety Communication Advisory  
Board,** speaks for public safety radio

Public safety radio (page a-164) is asking for a transfer of  
funds.

**EXHIBIT (jgh33a01):** Public Safety Radio Fact Sheet

##### **Questions from Committee Members and Responses:**

**REP. PECK** asks what the legislative auditors rational for not  
supporting the rates was. **Mrs. Menzies** says telecommunication  
funds are not related so it is inappropriate to use.

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**EXHIBIT(jgh33a02):** Memo about Montana Public Safety Radio System  
(MPSCS) from Bill Strizich

**Proponents:**

**Dennis Taylor, Helena**

- allows us to continue to work in this project
- this partnership makes credible sense for all of us
- there is a chance that we will be the envy of the other states

**Bill Slaughter, Sheriff of Gallatin County**

- people die when public safety personnel can't communicate
- this project has suffered some major setbacks and we have overcome them all

**Mike Griffith, Chairman of the Lewis and Clark Commission**

- shares the fear that if we allow setbacks to force us to fold out tent because of lack of funding we are going to be in deep trouble
- 100% supportive of this need
- without the committee's support they will be setback dramatically
- this setback may be irreversible

**EXHIBIT(jgh33a03):** Montana Association of Counties (MACo) Policy Statements

**John Semple, Montana Fire Alliance**

- urge do pass

**Questions from Committee Members and Responses:**

**SEN. TAYLOR** asks if it is broke out how money is being spent.

**Mrs. Menzies** says personal services in FY00 \$80,188 and in FY01 \$79,438. The associated operating expenses for FY00 are \$27,900 and in the FY01 there is no budget for equipment. **SEN. TAYLOR**

asks if this person is within their office. **Mrs. Menzies** says they currently have one person working and they have one vacancy.

**SEN. TAYLOR** asks if the counties are putting any money in. **Mrs. Menzies** says there has been some county and city and

participation in the detailed design. It is an ongoing effort. They will be using some existing sites to install the equipment.

**SEN. TAYLOR** asks how much federal government money is being used.

**Mrs. Menzies** says they don't have any federal appropriations, but they are trying to seek \$55 Million for this fiscal year.

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**REP. QUILICI** asks what was the reason for Montana Power pulling out. **Mrs. Menzies** says they had a proposal before them and they didn't believe the investment was warranted at that time.

**SEN. MESAROS** states there are sites across the state that will be consolidated and asks how many. **Mrs. Menzies** says they now have various sites that are operated by numerous operators. They have 84 sites that will be consolidated. There are better savings through central management rather than separately. **SEN. MESAROS** also states there are some concerns with local government. **Sheriff Slaughter** says the problem is they don't know what to buy to be compatible with their neighbors and this will set a standard. In Gallatin county they will have to buy new radios regardless because their radios are old.

**REP. PECK** asks if there is any figure as to what the total program will cost and what is the federal governments share. **Mrs. Menzies** says they are looking at asking the federal government to contribute \$65 Million for restoration costs. They could then use the system and not be charged for it.

*{Tape : 1; Side : A; Approx. Time Counter : 0 - 30.6}*

**Mrs. Menzies** says the anticipated costs are \$222,000 in FY00 and \$605,000 in FY01. **REP. PECK** asks if they thought they could "bamboozle" the federal government into paying for it all. **Mrs. Menzies** says they are optimistic that they could convince them this would be a solid investment.

#### EXECUTIVE ACTION ON DEPARTMENT OF REVENUE

**Motion/Vote:** **SEN. TAYLOR** moved **STATE WIDE PRESENT LAW (PAGE A-135)**. Motion carried unanimously.

**Motion/Vote:** **SEN. TAYLOR** moved **DP 2 - DOR REORGANIZATION PLAN TO ACCEPT AS WRITTEN EXCEPT THAT THE GENERAL FUND AMOUNT WILL BE \$61,000 LESS THAN THOSE IN THE EXECUTIVE REQUEST EACH FISCAL YEAR**. Motion carried unanimously.

**Motion:** **SEN. TAYLOR** moved **TO TAKE \$150,000 OUT OF THE BASE IN THE YEAR 2000**.

#### Discussion:

**SEN. TAYLOR** states that this is a \$55 Million budget and he believes they came in lean and he believes this number will work.

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**REP. PECK** states that if they are going to negotiate with the DOR, all of the committee members should be present.

**SEN. FRANKLIN** asks what they were thinking about. **Mary Bryson** says they anticipate POINTS being fully operational in the second year and will be a cost saving. **SEN. FRANKLIN** asks what the current cost saving are. **Mrs. Bryson** says they currently maintain four Legacy systems on the main frame. These will be replaced by POINTS and go to a mid-tier.

**SEN. TAYLOR** says that this wasn't done that it was not his intention, the committee members shouldn't be there. There are certainly welcome. **REP. PECK** states that they should have the opportunity to attend. That's a very important discussion that took place and if they are in on the discussion they pick up on things.

**Vote:** Motion carried unanimously.

**Motion/Vote:** **REP. QUILICI** moved DP 1 - VEHICLE REPLACEMENT (LEASES) (PAGE A-135). Motion carried unanimously.

**Motion/Vote:** **SEN. TAYLOR** moved DP 3 - CIGARETTE STAMPS (PAGE A-137). Motion carried unanimously.

**Motion:** **SEN. TAYLOR** moved DP 4 - MID-TIER UNIX SERVER CHARGES (PAGE A-137).

**Discussion:**

**Mrs. Bryson** says this relates to existing mid-tier requirements. These are a reflection through ISD rate increases.

**REP. QUILICI** asks with all the new systems coming in, what is going to happen to CAMAS. **Mrs. Bryson** says their long term thoughts are to integrate in Phase II. It does a very effective job for what it is designed to do.

**Vote:** Motion carried unanimously.

*{Tape : 1; Side : B; Approx. Time Counter : 0 - 27.7}*

**Motion/Vote:** **SEN. TAYLOR** moved DP 5 - REMOVE OFLT AND ADD META EFFICIENCIES (PAGE A-137). Motion carried unanimously.

**Motion/Vote:** **REP. QUILICI** moved SUGGESTED LANGUAGE ON PAGE A-138 THAT "TO IMPLEMENT EFFICIENCIES WITHIN THE DEPARTMENT AND TO REFLECT THE ELIMINATION OF THE OFLT, THE DEPARTMENT IS TO IDENTIFY TO THE OFFICE OF BUDGET AND PROGRAM PLANNING THE

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OPPOSITION NUMBERS OF THE 12.00 FTE AT HE BEGINNING OF FISCAL YEAR 2000 AND AN ADDITIONAL 17.00 FTE AT THE BEGINNING OF FISCAL YEAR 2001 FOR ELIMINATION AND THE LFD GET THE POSITION NUMBERS OF THE FTES THEY WILL ELIMINATE. Motion carried unanimously.

Motion/Vote: SEN. MESAROS moved DP 6 - COMPUTER REPLACEMENT CYCLE (PAGE A-138). Motion carried unanimously.

Motion/Vote: REP. QUILICI moved BASE, STATE WIDES, AND NEW PROPOSALS IN THE BOOK AND MOVES HB2 APPROVED TO 0. Motion carried unanimously.

Tony Herbert, Administrator of the Information Services Division, speaks about MT PRRIME.

**EXHIBIT (jgh33a04):** Montana PRRIME Operations Bureau; Questions and Answers Facts and Figures

**Questions from Committee Members and Responses:**

**CHAIRMAN TAYLOR** asks if they took what they are expecting it to cost would they expect any better effort. **Mr. Herbert** says they think that this overall level effort is going to have to be performed whether in house out-serviced.

**SEN. TAYLOR** asks with these figures if they could do it for less FTEs. **Mr. Herbert** says they have talked to contractors and a contractor may come back with lower numbers. Overall effort is the question.

**REP. QUILICI** asks where the people come from at \$210 per hour for People Soft. **Mr. Herbert** says they are having real trouble dealing with this. There is more demand for these types of people then ever before. People Soft is a very popular package. **REP. QUILICI** says the DOR is doing a lot of their work in house and their costs are not like this for these kinds of contracted services. **Mr. Herbert** believes there are people in Montana who could do this for maybe \$80 per hour. They are paying \$25-\$30 per hour for their staff.

**SEN. TAYLOR** asks how they came up with these numbers. **Mr. Herbert** says they have a contract with four different companies and they took and blended them on what they will need.

**REP. PECK** asks where they guys get educated. May Technical College, in Great Falls, has a two year program and what level do

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you get for two years. **Mr. Herbert** says some of these are people who are seasoned programmers with experience. They are looking for Computer Science majors with four year degrees. There is a variety of skill sets. If you graduate with this degree you will be able to work anywhere in the world. **SEN. TAYLOR** states that there are several two-year colleges in the U.S. that are training their students in two-year degrees to go out make \$70,000 per year.

**REP. QUILICI** states that when you compute \$60,000 per year against \$210 per hour it doesn't shake out.

**Mr. Herbert** says 14 of the 30 FTEs are "hard ball" technical people.

*{Tape : 2; Side : A; Approx. Time Counter : 0 - 30.6}*

**Mr. Herbert** says they only have \$50,000 for contracted services in the budget. He believes they can do better with the current state employees. They need to decide way before the end of the session. **SEN. TAYLOR** asks how firm the numbers are. **Mr. Herbert** says they are derived from TRW and are not firm numbers. They could be worked out quickly.

**REP. QUILICI** asks what are the people in the state getting out of this that they wouldn't if they didn't have. **Mr. Herbert** says it keeps the state current in new technologies. The new release they will implement is a web enabled release.

**SEN. MESAROS** states that the next release is always the best and where does this end. Where would we be if we said cut this off now, it is too expensive for the tax payers. **Mr. Herbert** says they don't move off of they won't be connected to new technologies. They will have more costs to maintain if they don't go along with the technology. **Jim Turner** states that with the new type of system the information will be on line rather than on microfiche. It may take 20 minutes to find information rather than one week. **Mrs. Menzies** says the agencies have been moving off their core systems because they don't meet their needs. If they did nothing, the legislature would see the agency specific requests in the future. They are suggesting to build once and share it.

**SEN. TAYLOR** states when they talk in abstracts its difficult to decide what level they want to fund it at. His concern is the Governor took care of this when he forced agencies to take on these costs in their budgets. He then asks how much they have to update and at what point is the cost worth balancing time and how much information do they really need.

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**{Tape : 2; Side : B; Approx. Time Counter : 0 - 28.3}**

**Mr. Herbert** says in 1997 the legislature put forth a system of about \$60 Million. They are implementing a new system and if they adequately staff this program the benefits will come out in the end. **SEN. TAYLOR** asks how this system would tie into PERS system. **Mrs. Menzies** says they have not purchased the software of People Soft. **SEN. TAYLOR** states if they are going to build two systems why can't they tie them together. It's very difficult to say they should fund for 30 FTEs. **Mrs. Menzies** says they will have to communicate with each other. As soon as they committed to doing this they attached themselves to these vendors. There is not a state in the U.S. that has developed their own software.

**REP. PECK** says that when they went into the University they didn't want it. His fear is the DOT will come in next session and say this won't meet their needs and they will ask for more money. **Mrs. Menzies** agrees. She doesn't think it's fair to require the agencies to project savings in the next session when they haven't used the system. **Jim Turner** says to some extent they won't get the money savings, but may get savings in comp. time. To some extent they will see a decrease in support staff.

**SEN. FRANKLIN** says that she does a more complete job with newer technology.

**REP. QUILICI** asks if by implementing this system the Y2K will be solved and if other systems in the state are going to be Y2K ready. **Mr. Herbert** says yes they will be and are about 62% compliant.

**SEN. TAYLOR** says he is thinking about doing a bill that says any employee that is hired away from the state will have to reimburse the state for training.

**{Tape : 3; Side : A; Approx. Time Counter : 0 - 30.7}**

**Mr. Herbert** says they do this with relocation costs if they leave within a year. **Mary Bryson** says they don't do this in their Information Technology department but they do in the paralegal department.

**CHAIRMAN TAYLOR** asks if this were a session where they didn't have any money how would they deal with it and at what point do they say they have to stop or slow down. **Mr. Herbert** doesn't believe they will be back in asking for a large increase in staff. They have purchased a \$16 Million animal and are trying

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to maintain it for \$2 Million. **Mrs. Menzies** says they would have to scale back on scope services they are providing centrally. She doesn't see scaling back on FTEs as a solution.

**SEN. TAYLOR** asks what the module costs. **Mr. Herbert** says the costs vary widely. **SEN. TAYLOR** asks how MT PRRIME affects the rates they are asking the agencies to pay. **Mr. Herbert** says there is some effect. They need to be able to have a network. The rate increase is not only about the network growth its also some new software. **SEN. TAYLOR** states that they are getting responses from other agencies that the jump is very healthy. Before they take action they need to have a discussion. He then asks why the state agencies computers have been going down every other day. **Mr. Herbert** says he is not familiar with this problem. **Clayton** says right at the beginning of the session they had trouble when they brought LAWS up. **SEN. TAYLOR** says if our people don't have their computers they aren't as productive as they should be. **Mr. Herbert** says that their rates are watched very closely.

**SEN. TAYLOR** would like to talk about the DPHHS. **Jim Turner** says in this case they didn't get the General Fund allocation to pay for this. **SEN. TAYLOR** states that the Human Services budget is losing \$9-\$10 Million because their payments aren't being turned over quick enough.



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**ADJOURNMENT**

Adjournment: 11:22 A.M.

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REP. LILA TAYLOR, Chairman

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LYNN DAILY, Secretary

LT/LD

**EXHIBIT** (jgh33aad)